

# *Quick Chek Food Stores*

Direct Marketing Program

Proposal

Presented By

*R. J. Reynolds Tobacco Company*

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## ***Quick Chek Food Stores Direct Marketing Proposal***

- ◆ **Rationale against single mailing using \$ 5.00 carton coupon**
  - Incremental volume on couponed RJR Brand would be effected one time....would not effect share of market.
  - One Program does not build equity or momentum
  - Too many "pass along" coupons to friends by persons who actually received the coupon.

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- ◆ Utilize RJR competitive and franchise redeemers only, within a 3 mile radius of each store.
- ◆ Utilize the same smokers for mailers 1-3
- ◆ Redeemers only (from mailers 1-3) for mailer 4.
- ◆ Indicate on each of first three mailers "More lucrative Quick Chek offers to come"

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- ◆ Series of mailings more apt to move the needle towards RJR by moving smokers through the "loyalty continuum".
  - Mailing 1 "Consideration Set" Smoker more apt to consider trial on a new product if the offer is lucrative and does not require a large investment i.e.... pack Vs carton purchase.
  - Mailing 2 Another lucrative pack offer...result...conversion to an occasional purchaser.
  - Mailing 3 "Transition" from a single pack occasional purchaser to multi pack or carton by offering \$2 or \$3 off a carton or 4 packs.
  - Mailing 4 "Covert Smoker" Offered only to those who responded to previous three mailings....\$3 carton coupon.

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## ◆ Key Factors To Program Success

- Communication to store management...program intent ...what needs to be done.
  - ◆ Best communication...status meetings. RJR can attend.
- All coupons need to be collected and forwarded ASAP to M/A/R/C in Texas for analysis and formulation of the list of names for Mailer #4.

# Quick Chek Food Stores

## Direct Marketing Proposal

### Budget Projection

	Franchise (core, fringe)	Competitive (prospects)
# Households	17,768	13,307
less returnables	- 6%	- 5%
circulation	16,880	12,642
April- Mailing 1	(1)\$ .50 packcoupon	(1)B1G1F Pack Cpn
Total Cpn's available	16,880	12,642
Est. Redemption	7%	10%
# Cpn's redeemed	1,182	1,264
Red., Cost/coupon	\$0.50	\$1.66
Total Redemp cost	\$ 591	\$ 2,099
June- Mailing 2	(1) \$.80/2 pack cpn	(1) B2G2F Ccoupon
Total Cpn's available	16,880	12,642
Est. Redemption	8%	8%
# Cpn's redeemed	1,350	1,011
Red., Cost/coupon	\$0.80	\$ 3.32
Total Redemp cost	\$ 1,080	\$ 3,358
August- Mailing 3	(1) \$2 Ctn or 4 packs	(1) \$3 Ctn or 4 packs
Total Cpn's available	16,880	12,642
Est. Redemption	8%	9%
# Cpn's redeemed	1,350	1,138
Red., Cost/coupon	\$2.00	\$ 3.00
Total Redemp cost	\$ 2,701	\$ 3,413

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# Quick Chek Food Stores Direct Marketing Proposal Budget Projection

	Franchise (core, fringe)	Competitive (prospects)
# Households less returnables circulation	17,768 - 6% 16,880	13,307 - 5% 12,642
November- Mailing 4 Total Cpn's available	(1) \$3 Ctn or 4 packs 2,000	(1) \$3 Ctn or 4 packs 1,750
Est. Redemption	18%	18%
# Cpn's redeemed	360	315
Red., Cost/coupon	\$3.00	\$ 3.00
Total Redemp cost	\$ 1,080	\$ 9,815
# Mailers	55,304	41,671
Total # Cpn's Mailed	4,242	3,728
Total Redemption Cost	\$ 5,452	\$ 9,815
Grand Totals	# Mailers # Cpn's Redeemed Redemption Cost Printing & Postage Cost	96,975 7,971 \$ 15,267 \$ 22,304

**Projected Cost Of Program \$ 37,571.00**

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## ◆ Mailing Deadline

- Friday February 28 for April/May/June/November Mailings.
- Add 3 weeks for  
May/June/July/November Mailings.